



***Pacific Gas and
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FOR IMMEDIATE RELEASE:

October 29, 2008

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**LOS GATOS OFFSETS GREENHOUSE GAS EMISSIONS BY ENROLLING IN
PACIFIC GAS AND ELECTRIC COMPANY'S CLIMATESMART™ PROGRAM**

*By Joining PG&E's ClimateSmart™ Program, Town Will Neutralize Up to 1,663,635 Pounds of
Carbon Dioxide per Year*

LOS GATOS – Joined by Los Gatos Mayor Barbara Spector and California's oldest land conservancy, the Sempervirens Fund, Pacific Gas and Electric Company (PG&E) today announced that the Town of Los Gatos will become the first community in Santa Clara County to offset its greenhouse gas emissions by enrolling in the voluntary ClimateSmart™ program. By joining, the Town of Los Gatos will offset more than 1.6 million pounds of carbon dioxide every year or more than 4,500 pounds every day. The ClimateSmart program enables customers to voluntarily balance out greenhouse gas emissions associated with their energy use.

"The Town of Los Gatos is proud to be the first city in Santa Clara County to participate in PG&E's ClimateSmart program and to make the commitment to reduce the greenhouse gas emissions that contribute to global warming," Los Gatos Mayor Barbara Spector said. "These efforts will increase the quality of life for our community and communities around the world."

The Town of Los Gatos signed up all of its eligible electric and natural gas metered accounts. These accounts include Town Hall, the library, police headquarters, the neighborhood center and the corporation yard, among other town facilities.

"The Town of Los Gatos' decision to enroll in the ClimateSmart program positions it at the forefront of a growing movement," said Robert Parkhurst, manager of climate protection and analysis for PG&E. "We look forward to working with Los Gatos and other communities across northern and central California to combat climate change with new solutions that serve the greater good."

"As a Board Member of the Sempervirens Fund, I am pleased that the Sempervirens Fund is one of the first two greenhouse gas projects which are a part of PG&E's ClimateSmart™ program," said Kevin Flynn, Sempervirens Board Member and Los Gatos resident. "PG&E's ClimateSmart program is the first of its kind in the nation and is helping to define a new way of capturing carbon dioxide from the atmosphere."

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PG&E launched the ClimateSmart program in June 2007 and already more than 33,000 customers have signed up. ClimateSmart is a voluntary program which enables PG&E's residential and business customers to fund environmental projects aimed at removing greenhouse gases from the air or avoiding the emissions in the first place. Customers who enroll will pay a separate amount on their monthly utility bills to remove or avoid the equivalent carbon dioxide (CO₂) associated with their energy use – thus making them “climate neutral.”

Becoming the first town in Santa Clara County to join the ClimateSmart program aligns with the Town of Los Gatos' leadership in sustainability efforts within the county and fits in with its overall environmental protection efforts. Some of the town's environmental programs include its participation in the U.S. Mayors' Climate Protection Agreement, its certification as a Green Business through the Santa Clara County Green Business Program, its membership in the Silicon Valley Energy Program, the adoption of voluntary green building standards for new construction within the Town's Hillside Development Standards and Guidelines, the Town's Water Efficiency Landscape Ordinance, Keep Los Gatos Beautiful Month, the Town Code requirement for developers to provide an opportunity for the public to salvage building materials from demolished structures, the Town's Wood Burning Ordinance, and the use of LED street lights. The Town has also initiated a General Plan Update focusing on Environmental Sustainability and other issues.

PG&E proudly provides its customers with among the cleanest energy in the nation. On average, more than 50 percent of the energy delivered to its electric customers is carbon free and the company is well on its way to exceeding 20 percent renewables under contract or delivered by 2010. Through its leading energy efficiency and demand response programs, the company has helped prevent more than 135 million tons of carbon dioxide from entering the atmosphere, while saving its customers nearly \$22 billion.

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation, is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with 20,000 employees, the company delivers some of the nation's cleanest energy to 15 million people in northern and central California. For more information, visit www.pge.com/about/.

For more information about Pacific Gas and Electric Company's ClimateSmart program, please visit our website at www.pge.com/climatesmart.